

The Public Service Commission State of South Carolina

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February 1, 2008

Steve E. Kellogg Attorney At Law 445 West Wellington, Ste. 10-C Chicago, IL 60657

Re: Docket Number 2005-26-C – Joint Application of MCG Capital Corporation, IDS Telcom Corporation and IDS Telcom, LLC for Authority to Complete an Assignment of Assets and to Grant Authority to IDS Telcom Corporation d/b/a Cleartel Communications, to Provide Local Exchange and Interexchange Services, for Alternative Regulation First Granted in Docket No. 95-661-C and for Flexible Regulation First Granted in Docket No. 1997-467-C

Dear Mr. Kellogg:

We are in receipt of a Notice of Cancellation of a Surety Bond provided to IDS Telecom, LLC by Fidelity and Deposit Company of Maryland (See enclosure). It appears that the bond was canceled on June 12, 2007. IDS Telecom, LLC's certificate of Public Convenience and Necessity was transferred to IDS Telecom Corporation in Commission Order No. 2005-246(A). Accordingly, please either replace the Surety Bond or cease providing prepaid calling cards to the public in South Carolina. Please let us know of your intention in this matter.

Thank you for your consideration.

Sincerely,

Judy Marthews

Administrative Assistant

Public Service Commission of SC

C: Jamie Villanueva, Regulatory Officer
Nanette S. Edwards - Office of Regulatory Staff
DMS

Enclosure



Fidelity and Deposit Company of Maryland

Surety Service Center, 3910 Keswick Road, Baltimore, MD 21211

Bond No. LPM8529975

NOTICE OF CANCELLATION NON-PAYMENT OF PREMIUM

Date: JANUARY 11, 2008

PUBLIC SERVICE COMMISSION OF THE STATE OF SOUTH CAROLINA 101 EXECUTIVE CENTER DR. STE 100 COLUMBIA SC 29210

The undersigned Surety upon a certain Bond in your favor as follows:

Principal: IDS TELECOM, LLC

Bond No: LPM8520975

License No:

Amount of Coverage: \$ 5,000.00

Effective Date: 06/12/2007

hereby notifies you that it desires to cancel and does hereby cancel said bond as an entirety. Such cancellation to become effective (30) days from receipt of this letter. It shall be presumed that you receive this letter within five (5) days of this notice. Please send written confirmation of this notice to the address below.

This notice is given to you in accordance with the cancellation provision contained in said bond.

THEODORE G. MARTINEZ

, Attorney-in-Fact

Zurich North America Surety formerly Fidelity and Deposit Company of Maryland 3910 Keswick Road Baltimore, Maryland 21211 Attention: Surety Service Center

CC:

SEITLIN AND COMPANY

PO BOX 25220

MIAMI FL 331025220

IDS TELECOM, LLC 1525 N. W. 167 STREET MIAMI FL 33169

RECEIVED

PSC SC DOCKETING DEPT.